

1940.
NEW ZEALAND.

NATIVE DEPARTMENT.

ANNUAL REPORT OF THE UNDER-SECRETARY FOR THE YEAR ENDED 31st MARCH, 1940.

Laid on the Table of the House of Representatives by Leave.

THE UNDER-SECRETARY, NATIVE DEPARTMENT, to the Hon. the MINISTER OF NATIVE AFFAIRS.

SIR,—

Native Department, Wellington, 18th June, 1940.

I have the honour to present herewith the annual report upon the activities of this Department, excluding Native land development and Native housing, which are dealt with in a separate report submitted by the Board of Native Affairs. The report covers the financial year ended 31st March, 1940.

I have, &c.,

O. N. CAMPBELL,
Under-Secretary and Native Trustee.

The Hon. F. Langstone, Minister of Native Affairs.

OBITUARY.

The Department records with profound regret its deep sense of loss, suffered in common with the Dominion generally, in the passing of the late Native Minister, the Right Hon. M. J. Savage, on the 27th March, 1940. The moving expressions of grief and sympathy from the Maori people were overwhelming evidence of their affectionate regard for one whose concern for their welfare was so fully manifested during his life of service.

GENERAL REPORT.

During the year under review the various functions of the Department have been maintained, while the major activities of Native land development and Native housing, which are the subject of a separate report, have expanded proportionately to previous years. As at the 31st March, 1940, the personnel of the Department totalled 414 officers, comprising office staff (200 permanent and 133 temporary) and field staff (8 permanent and 73 temporary). This represents an increase in staff in the aggregate of 45 officers over the figures for last year. A number of officers have enlisted for active service or have been seconded for duty with the Defence Services, and these are being replaced, where possible, by new appointees as yet ineligible for military service. The total number of staff shown above does not include a number of managers or foremen who are in charge of the farming activities of the Department, the Native Trustee, and the Maori Land Boards. The five district offices of the Department are augmented by fifteen sub-offices located at Kaitaia, Kaikohe, Kohukohu, Whangarei, Paeroa, Hamilton, Te Kuiti, Whakatane, Tauranga, Tikitiki, Ruatoria, Wairoa, Taumarunui, Hastings, and Levin.

In addition to the direct administration of matters relating to the welfare and advancement of the Maori people, the Department maintains close co-operation with other Government Departments and local authorities for this purpose. The Department also supervises the administration of the various Maori Trust Boards created by statute, and these bodies continue to function for the benefit of the various tribes within the boundaries of their respective territories.

The increase in the Maori population has been fully maintained during the year, and the figure as at 31st March, 1940, stood at 90,980, as compared with 88,450 at the corresponding date in the previous year.

The Government's programme of Native land development and Native housing has been vigorously carried out during the year, and, with the necessity for maintaining primary production during the war period, there is every indication of an even more intensive prosecution of land-development activity

BOARD OF NATIVE AFFAIRS.

The activities of the Board of Native Affairs are fully covered in parliamentary paper G.—10. These comprise the following departmental operations over which the Board exercises control—viz., Native land development and assistance to Maori farmers, promotion of employment amongst Maoris, farming activities and investments of the Native Trustee and the Maori Land Boards, and Native housing. In addition, the Board controls the expenditure or investment of moneys by the East Coast Commissioner or the giving of mortgages over any property vested in the Commissioner.

RETIREMENT OF THE CHIEF JUDGE.

On the 1st October, 1939, His Honour the Chief Judge of the Native Land Court, Mr. R. N. Jones, C.B.E., retired, and was succeeded in office by the senior Judge, Mr. C. E. MacCormick.

Chief Judge Jones was admitted as a solicitor in 1890 and was called to the Bar in 1899. He was appointed to the Native Land Court Bench in 1903, and for some time held the office of Judge in conjunction with that of District Land Registrar at Gisborne. In 1919 he was elevated to the office of Chief Judge, and for some years also occupied the positions of Under-Secretary of the Native Department, Native Trustee, and East Coast Commissioner. The retirement of Chief Judge Jones was the occasion for a number of valedictory tributes from the legal profession and the Maori people in recognition of his distinguished record of service.

Judge MacCormick has occupied with distinction the office of Judge of the Native Land Court since 1906, prior to which he was a member of the Bar in Auckland. During his period of office on the Bench, His Honour has also undertaken special duty in a judicial capacity in the Cook Islands, and in 1927 he was associated with the late Chief Justice, Sir Charles Skerrett, K.C., as a member of the Commission on Samoan affairs.

NEW ZEALAND CENTENNIAL.

The participation by the Maori people in New Zealand's Centennial has been marked by important gatherings in both the North and South Islands, while the Native race was represented at the Centennial Exhibition through the medium of the departmental exhibit.

At the Exhibition a carved meeting-house was erected. The building was designed in accordance with traditional pattern and is illustrative of the highest form of Maori art and mural decorations. The carvings, both exterior and interior, are perfectly executed examples of Maori craftsmanship, whilst the decorative panels adorning the interior are composed of reeds and coloured native grasses harmoniously combined to produce that artistic effect which is so characteristic of the Maori. Adjacent to the meeting-house, representatives of different tribes were engaged in carving and weaving, and visitors were thus afforded an opportunity of seeing the Maori engaged in his traditional crafts. A series of entertainments were given, and visitors enthusiastically received the items, which mainly comprised vocal music and dancing. The programmes were provided by representatives of the Arawa and Taranaki tribes, and latterly by members of the Ngati-Poneke Young Maori Club, to whose continued efforts a well-merited tribute is due.

On the 3rd February, 1940, one hundred years after the signing of the Treaty of Waitangi, a unique gathering was held in which the historical occasion was re-enacted on the ground in the presence of over ten thousand Europeans and Maoris. After inspecting a guard of honour provided by the Maori Battalion and Maori returned soldiers, His Excellency the Governor-General officially opened the new meeting-house, which has been erected as the Centennial memorial of the Maori race. The official guests included the Marquess of Willingdon and Senator the Hon. P. A. M. McBride representing the United Kingdom and the Australian Governments respectively, members of the Cabinet and both Houses of the Legislature, diplomatic representatives, and leaders in many branches of New Zealand public life. Messages were read from His Majesty the King and the Governments of France, Belgium, and the Netherlands. A message, accompanied by a gift to provide a piece of furniture for the meeting-house, was also received from Viscount and Lady Bledisloe, whose interest in the welfare of the Maori people was so strongly manifested during His Lordship's term of office in the Dominion.

On the 20th April, 1940, a similar gathering was held at Akaroa as the principal feature of the Centennial celebrations for the South Island. Historical pageantry took the form of the re-enacting of the declaration of British sovereignty and the landing of French settlers. A prominent part in these celebrations was taken by the descendants of the original French colonists, and the occasion was marked by a commemorative gift to the township of Akaroa from the French Government.

MAORI LAND BOARDS.

The operations of the seven Maori Land Boards have been fully sustained during the period under review

The total receipts and payments for the year were respectively £408,619 and £431,815, as against £397,210 and £406,405 for the previous year. As at the 31st March, 1940, funds held or invested by the Boards aggregated £559,979, under the following headings:—

Government securities	£ 75,388
Mortgages and charges	302,825
On deposit with Native Trustee	163,962
Cash balances	17,804
Total	<u>£559,979</u>

The area of Native land vested in the Boards as at the 31st March, 1940, amounted to 660,054 acres.

NATIVE TRUSTEE.

The Native Trustee acts in the capacity of agent or trustee for some ten thousand Native beneficiaries, and the various functions of the Native Trust division have been maintained.

There are 1,821 estates under administration, in respect of which funds total £82,823. Native reserves comprise an area of approximately 94,000 acres, and the aggregate amount received annually by way of rental from those areas under lease is approximately £41,000.

A detailed account of the operations of the ten stations farmed by the Native Trustee appears in the report of the Board of Native Affairs, but the following table indicates the scope of operations during the year :—

Total area of farm stations	42,510 acres.
Number of bales of wool produced	1,270
Proceeds of live-stock sold—	
Sheep	£19,522
Cattle	£6,637
Live-stock on hand at 31st March, 1940—	
Sheep	50,491
Cattle	5,362

The following are particulars of the funds invested or held by the Native Trustee at 31st March, 1940 :—

	£
Local bodies' securities	5,100
Mortgages—	£
To Natives	405,676
To others	6,617
	412,293
Station and other overdrafts	170,634
Properties acquired under mortgages	14,501
Cash balance	36,650
	£639,178

The Native Trustee's liability to beneficiaries, including the Maori Land Boards, at 31st March, 1940, was £418,071, and his accumulated reserves totalled £120,000.

FINANCE.

The volume of business transacted by the Department during the year is indicated by the following figures. The corresponding amounts for last year were Payments, £1,930,187 receipts, £1,297,977

	Total Payments.	Total Receipts.
	£	£
Consolidated Fund—		
Civil List (Native Purposes)	4,625	
Special Acts (Arawa tribes)	6,000	
Vote "Native"	161,511	25,767
Court fees		5,658
Public Works Fund—		
Vote "Native Land Settlement"	1,052,777	694,959*
Receipts under Native Housing Act		7,176
Native Trustee's Account	168,895	197,948
Maori Land Boards	396,068†	373,033†
	1,789,876	1,304,541

* Receipts from Native land development schemes, £294,959; grant from the Consolidated Fund, £400,000.

† Does not include deposits and withdrawals in respect of Deposit Accounts with Native Trustee.

NATIVE LAND COURT.

A statistical return of the activities of the Native Land and Appellate Courts during the year is appended in Table A. The volume of business shows a slight decrease as compared with that of the preceding year.

PROMOTION OF EMPLOYMENT AMONGST MAORIS.

Approximately four thousand Native workers were employed by the Department during the year. The total expenditure on wages was £454,600, of which £383,000 was in respect of Native land development schemes and the balance applied towards the improvement of privately owned Native land and the erection of dwellings financed from the Special Housing Fund. On land development schemes subsidies ranged from 50 per cent. to 100 per cent. With a few exceptions all works were undertaken on a contract basis enabling reasonably efficient workmen to earn not less than 16s. per day

ALIENATIONS OF NATIVE LAND

The number of alienations during the year was 508 and the area affected 38,766 acres, compared with 526 alienations and 59,490 acres last year. Particulars are as follows:—

	1938-39.		1939-40.	
	Number.	Acres.	Number.	Acres.
Sales	175	10,158	146	3,664
Leases	351	49,332	362	35,102
Totals	526	59,490	508	38,766

NOTE.—A proportion of these alienations was in favour of Native alienees.

The estimated area of Native land remaining to Maoris is 4,014,800 acres.

LEGISLATION.

The Native Purposes Act, 1939, included important amendments to the general law in relation to Natives and Native land. For example, section 3 confers jurisdiction upon the Native Land Court to determine questions arising as to the status of persons or land, sections 4 and 5 relate to Crown lands taken over for development and settlement for Natives, and provide for the issue of titles in respect of these lands, against which dealings may be registered, section 6 prevents merger of the title to European lands acquired by the Board of Native Affairs on behalf of the Crown with any other Crown interest, and enables the titles to these lands to be dealt with by the Board of Native Affairs, section 7 provides proper safeguards for the recording of marriages between Natives which are celebrated without full compliance with the Marriage Act.

The remaining provisions of the Act relate principally to local matters.

EXPENDITURE FROM CONSOLIDATED FUND.

For the year ended 31st March, 1940, the gross expenditure from Consolidated Fund vote "Native" was £561,511, and the recoveries totalled £25,767. Brief particulars of the net expenditure covering general costs of administration and grants for Native purposes are as follows:—

General administration—	£	£	£
Salaries and staff expenses (including travelling)	118,563		
Office expenses (rent, stationery, postages, &c.)	13,718		
	132,281		
Less recoveries from the Native Trustee, Maori Land Boards, and miscellaneous	24,854		
	107,427		
Purchase of equipment (motor-vehicles, office building, and furniture)		1,030	
		108,457	
Grants for Native purposes—			
Ahuwhenua Trophy		20	
Maori employment promotion		400,000	
Maori participation, Centennial Exhibition		6,534	
Maori Purposes Fund		600	
Memorials		300	
Rehabilitation, Hawke's Bay flood areas		685	
Survey liens written off		8,000	
Water-supplies		50	
		416,189	
Protection of Native land—			
Destruction of rabbits		1,098	
Clearing of noxious weeds		5,000	
		6,098	
Taranaki lands compensation			5,000
			£535,744

Although the total cost of administration amounted to £133,311, representing approximately 4.25 per cent. of the year's turnover of £3,094,417, the net cost to the State was only £102,799 after deducting sums of £24,854 (recovered from the Native Trustee and the Maori Land Boards) and £5,658 (fees of the Native Land Courts and the Maori Land Boards collected in stamps and credited to the

Consolidated Fund). Prior to 1939-40 the moneys required for the promotion of employment amongst Maoris were provided out of the Employment Promotion Fund. The sum of £8,000 represents the final payment to the Lands and Survey Department in liquidation of the amount of approximately £45,000 authorized in 1930 to be written off survey liens charged against various blocks of Native land. The object of the writing-off was to clear the titles of excessive charges and pave the way for consolidation and development. The item £6,534 for Maori participation in the Centennial Exhibition represents cost of erection and furnishing meeting-house, £5,951, incidental expenses (transport of and catering for concert parties, and general), £1,286, less recoveries by way of proceeds of entertainments, £703. A further substantial amount should be recovered from the disposal of the meeting-house. The expenditure on destruction of rabbits and noxious weeds on Native land is actually made by the Agriculture Department, and, in accordance with a standing arrangement, that Department is recouped from vote "Native." The payment of £5,000 in respect of the Taranaki land is made to the Taranaki Trust Board for the benefit of the four leading Taranaki tribes in accordance with section 49 of the Native Purposes Act, 1931, which authorizes the settlement of Native grievances regarding confiscated land. Each annual payment is subject to parliamentary appropriation.

An annual amount of £7,000 is provided for Native purposes from the Consolidated Fund under Part V of the Civil List Act, 1920. Of this sum, £3,600 is administered by the Department of Health and applied towards the cost of medical and nursing services for Maoris. The balance is disbursed at the discretion of the Native Minister for purposes having for their object the promotion of the welfare of the race or individuals. The amount expended during the year was £4,625, which is considerably lower than previous years, due in no small measure to the operation of the social-security legislation, which has practically eliminated allowances in necessaries from the Civil List funds to meet cases of indigence.

A further sum of £6,000 was paid to the Arawa Trust Board, representing the sixteenth annual payment authorized by statute. These funds are used for the general benefit of the Arawa tribes.

DISTRICT REPORTS.

The following are interesting extracts from reports on departmental operations in each district:—

Tokerau District.

Native Land Court.—During the year there were nine gazetted sittings of the Court, together with adjournments and special sittings, and in accordance with an established practice, which has been proved of definite advantage, the Court thus held sessions at numerous settlements throughout the district. A large amount of general business was dealt with by the Court in its ordinary jurisdiction, and, in addition, a considerable part of the Court work has been in connection with matters relative to land development, housing, and consolidation of landed interests. While assisting the Department in its various activities, the Court has continued to act as a guide to the Maori people and a protector of valid rights. Numerous certificates were issued showing the landed interests owned by Natives, to assist them with their applications for benefits under the social-security legislation. Alienations of Native land confirmed during the year were again relatively few in number. This reflects the Court's policy of ensuring the retention of the land for the occupation and livelihood of the large and steadily increasing Maori population of the northern peninsula. A considerable area of the land is already under close occupation by the people, and the policy of discouraging alienations is of material assistance in the pursuance of the constructive activity of the Department—namely, Native land development, which is the subject of a separate report.

Consolidation.—The schemes of consolidation of landed interests in the Tokerau district provide a task of great magnitude. The greater part of the work of the Court may be said to come within this heading. In the stabilizing of occupation brought about by consolidation proceedings lies the origin and basis of practically all the land development operations in this district. Consolidation of land titles has been steadily continuing during the year, and a certain amount of progress has been made in parts of the four main scheme areas—viz., Mangonui, Hokianga, Bay of Islands, and Kaipara. However, by reason of other activities and the shortage of survey staff to assist, the progress with final schemes has necessarily been slow.

Maori Land Board.—There has been no great activity during the year in regard to the lands vested by statute in the Board as trustee for the beneficial owners. Most of these areas are under lease, and the leases in many cases were renewed some years ago. The Board has continued its function as distributor to the owners of the revenue from vested lands, and is also the main rent-distributing agent for other Native lands under lease. The Board in this district adopts the policy of requiring all proceeds of alienations of land to be paid through it, as this practice is considered to be in the interests of all parties.

Although the Te Kao dairy scheme, previously administered by the Board, was handed over to the Native Department as from the 1st April, 1938, and is now incorporated in the Mangonui development scheme, the Board has retained its interest in the Te Kao Settlement, maintaining a store and other activities for the benefit of the people.

Housing.—Housing activity in this district has steadily progressed, but there is still urgent need for numbers of new houses, as the living-conditions of a large number of Natives are far from what is desired or necessary.

General Maori Welfare.—As already mentioned in a previous report, the health of Natives in the Tokerau district has suffered in the past through lack of suitable housing-accommodation, but with the improvement now being achieved and the valuable co-operation of the officers of the Department of Health it is confidently anticipated that a material improvement will be manifested, particularly in the incidence of tuberculosis. The improvement and extension of educational facilities for Maori children in the North, which has been the subject of comment in a previous report, continues to have gratifying results, and the Education Department should receive the highest praise for what it has done in this most important phase of the work. With the increasing Maori population one of the major problems in this district is the dearth of suitable farming areas for those Natives who do not possess adequate landed interests. It is very apparent that other avenues of employment will require to be found and steps taken to ensure that the coming generation is afforded suitable training and education which will enable it to be absorbed into the industrial and general life of the Dominion.

Waikato-Maniapoto District.

Native Land Court.—The Judge of the district has been fully occupied during the year with the business of the Court. Sittings were held on circuit at Thames, Ngaruawahia, Kawhia, and Te Kuiti, in addition to the usual fixtures in Auckland, where a sitting of the Appellate Court was also held. As well as the usual volume of business dealt with in open Court, numerous matters have been attended to by the Judge in Chambers. The Natives maintain their interest in the proceedings, and it is evident that the Maori people continue to look with confidence to the Court to maintain their rights to land and to deal impartially with the various matters which arise for settlement. The business of the Court is affected by changing times and conditions, but its importance to the Maori remains undiminished.

Consolidation.—In the Maniapoto consolidation area the main ground work of those schemes which have been authorized has been completed. The necessary surveys are being made from time to time, and final orders are being drawn wherever possible. Considerable progress has been made in the preparation of the scheme of consolidation of Crown and Native areas at Waimiha, where over 7,000 acres have been gazetted for development and 3,000 acres of this block have been brought under cultivation, and it is hoped shortly to place the final scheme before the Court for submission to the Native Minister. In a number of cases the Court has been able to arrange between individual owners exchanges which have been similar in effect, although more limited in range, to the more comprehensive consolidation schemes.

Maori Land Board.—During the year routine business of the Board has involved consideration of many matters arising out of its trusteeship of large areas of Native land which are vested in it. Certain areas of these vested lands remain unoccupied, and in some cases consideration has been given to the question of having these areas dealt with under the development legislation administered by the Department. Otherwise there has been little public demand for these unoccupied areas and no steps have been taken to place them on the market. The fact that all leases of vested lands are required by statute to expire in November, 1957, renders these areas unattractive to prospective lessees. The demand for Native township sections has, however, been maintained, and most of the more desirable sections in the townships of Otorohanga, Te Kuiti, Taumarunui, and Karewa have been leased. In the past the Board has received and distributed large sums representing proceeds of alienations of Native lands, but the amount received during the year from this source has been comparatively small. In recent years the Court has discouraged the alienation of Native areas, and it is only in special cases that these transactions are now confirmed by the Court. During the year social-security charge due by Native beneficiaries was collected by the Board by deduction from payments of income.

Board's Finances.—The book value of the Board's assets is well maintained at £99,836, a very large proportion of which are liquid in cash or at call. During the year £17,467 was received on behalf of beneficiaries, and distributions amounted to £23,937. The finances of the Board are sound, and its reserves ample to meet all contingencies.

Housing.—The unsatisfactory nature of the housing-conditions of many Natives in the district is constantly coming to the notice of the Board and the Court. The Department's activities under the Native housing legislation have resulted in a marked improvement, but this is necessarily proportionate only to the funds available. The usual practice is for the Public Works Department to undertake the actual building construction, using, where possible, Native labour under key men, and the co-operation of the Court and Board is always available in arranging the necessary house-sites and securing repayments by charging orders and rent assignments, &c. Up to the 31st March, 1940, advances approved under the Native Housing Act amounted to £8,439, and under the Special Housing Fund for indigent cases, £18,694. At that date a total of sixty-four houses had been erected or repaired and a further five were in the course of erection.

General Maori Welfare.—From the observation of the Court and its officers it would appear that during the past few years the health of the Maoris in this district has shown a slight general improvement. Reports submitted by officers of the Health Department concerning the condition of those Natives occupying dwellings recently erected by the Native Department indicate that improved housing soon reflects itself in the health of the people, and it is hoped that this benefit will be maintained. At the same time, a slow educative process is essential to solve the problems of unwise spending, overindulgence in alcoholic liquor, and insanitary conditions in the home.

Waiariki District.

Native Land Court.—Sittings of the Court held in different centres in the district numbered twenty-four. A large number of various applications disposed of, the business of the Court being conducted in a manner which has won the confidence of the Maori people and evinced keen interest in the proceedings of the Court and deep confidence in its decisions.

Particular attention has been given to applications for rate-charging orders and the general problem of rating on Native lands. During the past year it is felt that a useful advance has been made towards a solution of this vexed problem in at least one county, but it is considered that there is no reason why the same result cannot be attained in other local counties. In actual fact a neighbouring County Council is anxious to apply similar methods, but has been asked to allow the Court to give its undivided attention to the successful launching of the initial effort.

The problem which faced both the Court and the rating authorities was one of a large accumulation of arrears secured by charging orders over the Native lands of the district, and a large annual recurring rate, of necessity made larger by the fact that the Natives were not paying their share towards the hospital, road, and drainage requirements of the district. Matters had been further complicated by an attempt to enforce rate-charging orders in a wholesale manner by the appointment of a Receiver. This attempt was rendered more or less abortive through the representations of the Natives that they were being harshly treated.

It appeared to the Court, after going into the position of many individual assessments, that there were many Natives who could well pay their rates, but that they were sheltering under the general amnesty obtained by the mass protest. It appeared also that there was much land upon which rates could and should be paid if only the rightful persons were made liable. Again it was quite plain that there were some cases where the rates should be remitted, on the ground that their enforcement would be a definite hardship to the owner or owners.

The Court thereupon met the local authorities and a representative meeting of Natives with a view to finding some basis of operation that would be readily understandable by the Natives and within the scope of their financial ability. As a preliminary, the Court explained to a meeting of Natives concerned what it conceived to be its duty under the Rating Act.

The next step was the disposal of applications by an outside Receiver previously appointed for leave to lease in some nineteen selected cases. In each of these cases the Natives received proper notice of the hearing, and in most cases the Receiver was able to inform the Court that satisfactory arrangements had been made by the occupier to liquidate the rates owing. In the remaining cases leave was given to the Receiver to lease the land for a term sufficient to remove the encumbrance.

Following these formalities, the County Council announced that it was prepared to remit 50 per cent. of rates (current at the time or in arrears) wherever occupiers were able to make satisfactory arrangements for payment of the reduced amount. A considerable number of Natives were agreeable to this arrangement, and quite a substantial amount in cash was received by the local authorities as well as orders on dairy companies and firms against produce and growing crops.

At this time there were some fourteen hundred rate applications set down for hearing, and the Court ruled that each case should receive individual consideration. The Court suggested, also, that some consideration should be allowed to ratepayers who had given orders for their arrears of rates, and that the future current rates of these people might be reduced while they were meeting payment of their arrears. Otherwise current rates would be falling into arrear and the general position would not improve.

As a result of conferences the County Council agreed that, as the real aim of all parties was to inculcate the habit of paying current rates when due, it would write off one year's arrears for each one year's current rates paid, would accept as a year's current rates whatever sum a land development settler was deemed by the Court able to pay, and, furthermore, that a year's rates paid by a lessee under a lease from a Receiver would be treated as having been paid by the Native owners. The Council's offer was explained to the Maori people by the Court and accepted by them as a very generous gesture.

The remaining step was the appointment of a person acceptable to all parties to tour the district for the purpose of checking each assessment and making the best arrangement for payment of current and future rates.

During the past year officers of the Native and Lands Departments have collaborated in explaining these proposals to the Maori people and enlisting their co-operation in the scheme, and it is noteworthy that the amount of Native rates collected by this County Council last year had the effect of allowing a reduction in this year's county rate of $\frac{1}{4}$ d. in the pound. This plan is in the nature of an experiment, and the success already attained augurs favourably for an extension of the scheme to other counties in this district.

Due mainly to shortage of trained staff, it has not been possible to make any marked progress with consolidation of titles during the year. As opportunity permits, those schemes which are sufficiently advanced are being pushed on to completion.

The number of alienations of Native land confirmed shows a slight increase over the previous year, but the majority of leases confirmed affect land that has previously been subject to tenure. A careful investigation is made in these cases to ensure that it is in the interests of the owners to re-lease the lands rather than to assume occupation and development themselves. In some cases the large

numbers of owners of an area and their opposition to the Department's land-development programme renders it advisable meanwhile to lease the area, provided that an adequate rental is received and the covenants of the lease observed. Some forty-eight leases covering an area of 4,255 acres, forty-two sales comprising 797 acres, and eight grants of timber-~~cutting~~ ~~rights~~ confirmed during the year.

Maori Land Board.—During the year there has been no decrease in the financial activities of the Board both as to receipts and expenditure, nor in the number of transactions recorded. The proceeds of alienations have been closely controlled on behalf of the beneficiaries, and wherever it is considered expedient the Court has required that purchase-money, royalties, or rents be paid to the Board for distribution to the owners, thus ensuring that amounts are received and covenants performed.

At 31st March, 1940, the financial position of the Board was as follows:—	£
Total receipts	49,368
Total disbursements	44,563
Liability to Native beneficiaries	63,321
Cash balances	5,507
Special investments	26,597
Common Fund investments	88,411
Invested in farming property	53,005
On deposit with Native Trustee	35,406

Native Housing.—The programme to provide better living-conditions is proving particularly effective in the Town of Rotorua and its environs, where close contact with the Public Works Department can be maintained. During the year five houses have been completed under the Native Housing Act, while nineteen houses have been erected or repairs and renovations carried out for indigent Natives.

Aotea District.

Native Land Court.—The volume of business dealt with by the Court in this district during the past year showed a material increase on the figures for the previous year. Sixteen sittings were held throughout the year at Wanganui, New Plymouth, Hawera, Taumarunui, and Tokaanu. Out of a total of 5,877 cases advertised for hearing, 1,500 were dealt with, 1,113 orders were made, and fees totalling £930 were collected.

In some cases where miscellaneous orders were made the Court was called upon to exercise many phases of its wide powers and jurisdiction in regard to Natives and Native land. The number of rate-charging orders showed a considerable increase on the figure for the previous year. This is regrettable, and reflects a degree of disinterestedness on the part of the owners. It may, however, be due in part to a lack of effort by certain local authorities to exercise their ordinary legal remedies of recovery against the occupiers of areas of Native land, which are, in many cases, being utilized by persons other than the beneficial owners.

There was a considerable volume of applications for confirmation of alienations during the year, and with these applications it is the practice of the Court to investigate each case exhaustively and to refuse confirmation unless it can be established that the alienation is in the interests of the Native owners. During the course of these inquiries particular attention is paid by the Court to the possibilities of the owners themselves utilizing the land in question by means of the various forms of financial assistance provided by the State to encourage Natives to become primary producers and self-supporting economic units. Only under special circumstances are sales authorized. In practically all cases where the consideration is substantial the Court exercises its jurisdiction to enable it to control the expenditure of proceeds in order to ensure, as far as possible, that a substituted asset of some form or other is acquired by the vendor. This policy has enabled a number of Natives to improve their housing-conditions, while many others have had live-stock or household furniture acquired on their behalf.

The large areas of indigenous forests in the district and the increased demand for timber has resulted in a number of alienations of timber lands being submitted to the Court for approval. Every effort has been made by the Court to ensure that the areas alienated are exploited on an economic basis and that the interests of the beneficiaries are effectively safeguarded. In this respect the Court has had the assistance and co-operation of the State Forest Service and its officers, and desires to express its appreciation of the services rendered.

Maori Land Board.—In addition to its functions associated with the administration of the large areas of vested lands under its control, the Board has continued its policy of utilizing its surplus funds by granting loans on mortgage to Natives for the purpose of farming or erection of dwellings. Under this heading advances totalling £7,685 were made—£1,050 for farming, £2,625 for housing, and £4,010 for discharge of existing encumbrances or liquidation of liabilities.

The financial transactions of the Board have been maintained, net receipts, excluding withdrawals of deposits with the Native Trustee, amounted to £98,477, while payments aggregated £127,019, made up of 2,265 individual receipts and 11,284 individual disbursements.

As agent for the Native Trustee in the collection and disbursement of revenue accruing from West Coast Settlement Reserves, the Board's functions and duties have been largely augmented. However, with the installation of various mechanical office appliances it has been possible to reorganize the accounting system and thus not only to cope with the expansion, but also to provide for efficient and expeditious accounting in accordance with modern commercial practice.

The assets of the Board are as follows :—

	£
Cash balances	1,861
Deposits with Native Trustee	47,604
Mortgages and charges	86,195
Office premises, furniture, &c.	15,382
Sundry debtors (excluding trust)	660

Specific reserves and Reserve Funds total £63,308, while total liability to Native beneficiaries is £96,288.

Native Housing.—Full advantage has been taken of the Government's policy of providing financial assistance to improve the housing-conditions of Natives within the district, but no entirely satisfactory solution has yet been found to meet the cases of indigent Natives, many of whom are living in town or borough areas and who have neither the land on which to erect a house nor the financial resources to meet the repayments required. The general report on the work undertaken in the district is more particularly referred to in the report of the Board of Native Affairs.

Maori Welfare Work.—The wide ambit of the functions of the various branches of the office involves a large measure of direct and indirect Native welfare work, and every assistance is given to and by various organizations and bodies with similar objectives and with whom the officers of the Department are in constant contact. The field staff in particular have shown a keen and helpful interest in this phase of their duties.

Tairawhiti District.

Native Land Court.—In all, twenty-five sittings of the Court were held at the usual large centres of Maori population extending from Mohaka in the south to Te Araroa in the north. Keen interest was maintained by the Natives in the proceedings, and the assistance afforded by the Court and its officers in matters affecting economic, social, educational, and general welfare was freely availed of by the Natives. That the Court possesses the full confidence of the Maori people is reflected in the ever-increasing volume of business transacted, and the number of orders made during the year reached the high figure of 6,299.

Succession orders during the period totalled 2,315, as against 1,745 for the preceding year, an increase brought about by the acceleration of work in connection with the Northern Waiapu consolidation scheme. This necessarily increased the work of the Maori Land Board in the distribution of rents and other moneys to the successors of the deceased persons affected.

In those localities where consolidation has not yet been undertaken, there is a growing tendency on the part of the Natives to effect the aggregation of their scattered interests by way of exchange in order to secure to themselves areas sufficiently large for economic farming. This method calls for particular diligence and investigation by the Court to ensure that the interests of all parties are adequately protected.

Rate-charging orders made were not as numerous as last year, and it is satisfactory to note that in one county there has been a record collection of Native rates. This county contains a large proportion of the Native land in the Tairawhiti district occupied and managed by the owners, and carrying approximately 40 per cent. of the rates levied in the county. This satisfactory position is brought about in no small measure by the co-operation of this office with the Valuation Department, the Natives, and the local body concerned, particularly in the collection and settlement of rates by compromise and otherwise. It also reflects the beneficial results achieved by the introduction of Native land development.

There is no diminution in the number or wide diversity of orders made. These include the determination of rights to land, the disposition of personal property, and many other matters affecting the rights and obligations of the Maori people and their advancement and well-being.

Consolidation.—The first instalment of the Northern Waiapu scheme is now in its final stages, and it is expected that approximately fifty titles will issue at an early date. The second instalment has been completed, and covers the vesting of certain lands in the Crown which were previously offered in settlement in connection with the survey liens compromise, the Matakaoa rates compromise, and part of the Waiapu rate compromise. Further progress has been made in connection with the third instalment of the scheme, which was the subject of section 10 of the Native Purposes Act, 1937. The fourth instalment affected certain of the Tikitiki Township sections, and titles have issued therefor to the Natives and the Crown. The groups in the fifth instalment of the scheme have been brought up to date, and the necessary locations are now being finalized preparatory to submission to the Native Minister.

The Mohaka scheme as submitted by the Court and which was under consideration by the Lands and Survey Department has been confirmed by the Native Minister, but there is still considerable detailed work to be undertaken before final orders can be made.

Native Rates.—The method of collecting rates on Native lands by the appointment of a Receiver is being increasingly employed by local authorities in the Tairawhiti district, and in most cases the Maori Land Board has been appointed for this purpose. The service cannot be regarded as a normal function of the Board, but it has been found that no other body is able or willing to safeguard the interests of the Maori ratepayers. Special staffing is being provided to carry out these new duties.

Maori Land Board.—Receipts and payments for the year totalled £99,326 and £98,700 respectively and showed a slight decrease over the preceding year, which can be accounted for by a corresponding decrease in disbursements on behalf of the East Coast Commission. The installation of an accounting machine has facilitated the clerical work in the office.

Maori Welfare.—The operation of the social-security legislation has practically eliminated grants from the Civil List to indigent Natives. The Maori Welfare Officers in this district maintain close co-operation with the Social Security Department, and have assisted numbers of Maoris to submit claims for benefits. In addition to finding relief work under the Native employment scheme, assistance has been afforded the Placement Officers in manning Scheme 13 contracts. Practically the total expenditure on employment promotion under both these schemes has been in respect of land development work.

Ikaroa and South Island District.

Native Land Court.—The Court sittings during the year in respect of the two circuits presided over by the Judge numbered thirty-nine, and extended from Hastings in the north to Invercargill in the south. The Court again dealt with several matters of considerable complexity which involved Native interests in land, representing fairly large values. Several applications concerning the ownership of the valuable Palmerston North Reserves came before the Court in accordance with the provisions of section 13 of the Native Purposes Act, 1937, but the Court's decisions have not yet been given. The investigation, under special statutory authority, of the ownership of the Wakapuaka Block, near Nelson, comprising an area of nearly 18,000 acres, was completed by the Native Appellate Court, and a special sitting of the lower Court was held at Nelson in December to deal with an application for partition of the land as between the parties concerned. The dispute as to the ownership of this land was the subject of petitions to Parliament, and the report by Judge Harvey (parliamentary paper G.-6B, 1936) upon these petitions deals comprehensively with the interesting historical background associated with the Wakapuaka Block.

Applications for rate-charging orders continue to be made, and a number of these were heard by the Court. Every opportunity is taken to impress upon the Natives their liability to meet local-body taxation and to encourage them to pay their rates in order to prevent their lands being further encumbered. There has been a measure of success to record in this respect.

Maori Land Boards.—There has been a steady increase in the work of the Boards in administering and controlling the proceeds of alienation of vested or freehold Native lands on behalf of the beneficiaries or owners.

The activities have also been extended by the delegation to the Boards of the detail work in connection with Native reserves administered by the Native Trustee. Native reserves vested in the Native Trustee by statute for administration number 164. These reserves, which are all situated in either the South Island or the Ikaroa district, are as follows:—

	Acres.
North Island Tenths (Wellington City)	38
Palmerston North City	71
Other North Island reserves	4,000
South Island Tenths (Nelson City and district)	4,200
Town of Greymouth	500
Other South Island reserves (practically all on the West Coast)	13,500

The annual rent roll from approximately 2,800 Native reserve leases is £16,520, and there are 2,510 beneficiaries to whom rents are distributed half-yearly. The expansion of business is reflected in the fact that rent and royalties collected by both Boards during the year amounted to £35,648, representing an increase of approximately £12,600 over the previous year.

The accounting work of the Boards has been greatly facilitated by the installation of a book-keeping machine. The speed and accuracy with which the considerable amount of routine work is now carried out by machine methods has enabled the Boards to handle almost double the volume of accounting with practically no increase in staff.

The annual accounts disclose that both Boards are in a very sound position financially, with ample reserves and well-secured investments.

Housing.—The machinery of the Court was used extensively to assist Natives to acquire housing-sites. In proper cases lands have been partitioned in order to give applicants a good registrable title to offer by way of security, and many gifts of sections have been confirmed by vesting orders made under section 20 of the Native Housing Amendment Act, 1938. The Native housing question is largely a sociological problem, but at present it is possible to provide dwellings only for those who can give the required margin of security and an adequate assignment of rents or other moneys. Notwithstanding the economic limitations of a large body of the Natives, steady progress has been made in providing houses and so improving the living and social conditions of the people. There has not been observed, as yet, any marked improvement in the grounds and surroundings of the houses erected, especially in the nature of gardens and ornamental trees, but it is hoped that the encouragement offered to the Natives to take a pride in the beautification of their house-sites will have the desired result.

Maori Welfare.—This important phase of the Boards' activities has received full consideration during the year, and every possible avenue of improvement is constantly under review.

TABLE A.—RETURN OF NATIVE LAND COURT BUSINESS FOR THE YEAR ENDED 31ST MARCH, 1940.

	Totals.		Tokerau.	Waikato-Maniapoto	Waiariki.	Tairarwhiti.	Aotea.	Ikaroa.	South Island.
	1938-39.	1939-40.							
<i>Native Land Court.</i>									
Number of sittings	119	121	9	13	24	25	16	23	11
Number of cases notified	27,006	26,555	3,810	2,678	5,767	4,125	5,877	3,575	723
Number of orders made for cases heard	8,604	12,006	1,029	970	1,319	6,299	1,113	1,002	274
Number of cases dismissed	1,755	1,829	61	477	252	341	387	224	87
Number of cases adjourned <i>sine die</i>	17,521	17,197	2,720	1,048	5,012	1,219	4,377	2,388	433
Number of partitions made	471	378	23	55	123	135	26	10	6
Area affected (acres)	28,754	46,833	3,357	11,015	12,427	7,776	9,076	2,994	188
Number of investigations of title		2	2						
Area affected (acres)		89	89						
Number of succession orders made	4,602	5,956	709	560	723	2,315	690	727	232
Number of other orders made	6,787	5,672	297	355	473	3,849	397	265	36
<i>Native Appellate Court.</i>									
Number of sittings	10	7		1		1		5	
Number of cases notified	34	13		3		5		5	
Native Land Court decisions varied	2	1						1	
Native Land Court decisions affirmed									
Native Land Court decisions referred back to Native Land Court	16								
Native Land Court decisions annulled									
Appeals dismissed or withdrawn	7	5				5			
Appeals adjourned <i>sine die</i>	6	4						4	
Applications under section 257/31 ordered									
Applications under section 257/31 dismissed									
Applications under section 257/31 adjourned <i>sine die</i>	1	3		3					
Court and Board fees collected	£ 5,748	£ 4,831	£ 136	£ 941	£ 798	£ 1,129	£ 1,000	£ 641	£ 186

TABLE B.—RETURN OF ALIENATIONS CONFIRMED FOR THE YEAR ENDED 31ST MARCH, 1940.

Court District.	Leases.*		Sales.†		Mortgages.	
	No.	Area.	No.	Area.	No.	Area.
		Acres.		Acres.		Acres.
Tokerau	1	27	6	98		
Waikato-Maniapoto	24	2,385	39	1,128	1	33
Waiariki	56	6,911	42	797		
Tairarwhiti	48	3,944	20	1,010		
Aotea	103	13,292	12	132		
Ikaroa	117	7,950	18	75	1	1
North Island totals	349	34,509	137	3,240	2	34
South Island	13	593	9	424		
Totals	362	35,102	146	3,664	2	34

* Includes thirteen grants of timber-cutting, metal, and limestone-quarrying rights affecting a total area of 3,470 acres. Does not include twenty-one transfers of leases of 9,000 acres and six renewals of leases of a total area of 2,999 acres. † Includes twenty gifts to other Natives of a total area of 249 acres.

TABLE C.—NATIVE LAND PURCHASES.

There has been little activity in the purchase of Native Land by the Crown during the year, and this table will be omitted from the annual report for the duration of the war.

Approximate Cost of Paper.—Preparation, not given; printing (715 copies), £16 10s.

By Authority: E. V PAUL, Government Printer, Wellington.—1940.

Price 6d.]

